



AD-A272 756



March 14, 1983
NUMBER 5106.1

ASD(C)

Department of Defense Directive

SUBJECT: Inspector General of the Department of Defense

References: (a) Public Law 95-452, Inspector General Act of 1978, as amended
(b) DoD Directive 5105.48, "Defense Audit Service," July 26, 1982 (hereby canceled)
(c) DoD Directive 5105.50, "Defense Criminal Investigative Service," April 28, 1982 (hereby canceled)
(d) DoD Directive 5148.10, "Assistant to the Secretary of Defense (Review and Oversight)," April 20, 1981 (hereby canceled)
(e) through (h), see enclosure 1

A. PURPOSE

This Directive:

1. Implements the provisions of reference (a), which establishes the position of Inspector General (IG) and the Office of the Inspector General (OIG) in the Department of Defense, and sets forth responsibilities, functions, authorities, and relationships as outlined below.
2. Cancels references (b) through (d).

B. APPLICABILITY AND SCOPE

1. This Directive applies to the Office of the Secretary of Defense (OSD), the Military Departments, the Organization of the Joint Chiefs of Staff (OJCS), the Unified and Specified Commands, and the Defense Agencies (hereinafter referred to as "DoD Components").

2. Its provisions cover all programs and operations administered or financed by the Department of Defense.

C. MISSION

As an independent and objective office in the Department of Defense, the OIG shall:

1. Conduct, supervise, monitor, and initiate audits and investigations relating to programs and operations of the Department of Defense.
2. Provide leadership and coordination and recommend policies for activities designed to promote economy, efficiency, and effectiveness in the administration of, and to prevent and detect fraud and abuse in, such programs and operations.

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3. Provide a means for keeping the Secretary of Defense and the Congress fully and currently informed about problems and deficiencies relating to the administration of such programs and operations and the necessity for and progress of corrective action.

D. ORGANIZATION AND MANAGEMENT

1. The IG, a civilian appointed by the President, with the advice and consent of the Senate, shall serve as head of the OIG.

2. The IG, in accordance with applicable laws and regulations governing the civil service, shall:

a. Appoint a Deputy Inspector General, who shall serve as IG in his or her absence.

b. Appoint an Assistant Inspector General for Auditing who shall supervise the performance of auditing activities relating to programs and operations of the Department of Defense.

c. Appoint an Assistant Inspector General for Investigations who shall supervise the performance of investigative activities relating to programs and operations of the Department of Defense.

d. Select, appoint, and employ such other officers and employees as may be necessary to carry out the mission, functions, responsibilities, and authorities assigned herein.

3. The OIG shall consist of organizational elements established by the IG within the resources assigned by the Secretary of Defense or by statute.

4. The Secretaries of the Military Departments or their designees shall assign military personnel to the OIG in accordance with approved authorizations and established procedures for assignment to joint duty.

5. The Secretary of Defense shall provide the OIG with appropriate and adequate office space at central and field office locations together with such equipment, office supplies, and communications facilities and services as may be necessary for the operation of the OIG, and shall provide necessary maintenance services for offices and the equipment and facilities located therein.

E. RESPONSIBILITIES AND FUNCTIONS

1. The Inspector General, Department of Defense, shall:

a. Be the principal adviser to the Secretary of Defense on all audit and criminal investigative matters covered under P.L. 95-452 (reference (a)) and for matters relating to the prevention and detection of fraud, waste, and abuse in the programs and operations of the Department of Defense.

b. Initiate, conduct, and supervise such audits and investigations in the Department of Defense, including the Military Departments, as the IG considers appropriate.

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- c. Provide policy direction for audits and investigations relating to fraud, waste, and abuse and program effectiveness.
- d. Evaluate and review the work of all DoD activities relating to contract audit, internal audit, internal review, military exchange audit, and independent public accountant audit service programs.
- e. Investigate fraud, waste, and abuse uncovered as a result of contract and internal audits, as the IG considers appropriate.
- f. Develop policy, monitor and evaluate program performance, and provide guidance with respect to all DoD activities relating to criminal investigation programs.
- g. Monitor and evaluate the adherence of DoD auditors to internal audit, contract audit, and internal review principles, policies, and procedures.
- h. Develop policy, evaluate program performance, and monitor actions taken by all DoD Components in response to contract audits, internal audits, internal review reports, and audits conducted by the Comptroller General of the United States.
- i. Monitor and give particular regard to the activities of the internal audit, inspection, and investigative units of DoD Components (including those of the Military Departments) with a view toward avoiding duplication and insuring effective coverage, coordination, and cooperation.
- j. Provide policy direction for and conduct, supervise, and coordinate audits and investigations relating to DoD programs and operations.
- k. Review existing and proposed legislation and regulations relating to DoD programs and operations and make recommendations thereon in accordance with Section 4(a)(2) of P.L. 95-452 (reference (a)) concerning their impact on economy and efficiency or on the prevention and detection of fraud and abuse in DoD programs and operations.
- l. Recommend policies for and conduct, supervise, or coordinate other activities carried out or financed by the Department of Defense for the purpose of promoting economy and efficiency in the administration of, or preventing and detecting fraud and abuse in, its programs and operations.
- m. Recommend policies for and conduct, supervise, or coordinate relationships between the Department of Defense and other federal agencies, state and local governmental agencies, and nongovernmental entities with respect to (1) all matters relating to the promotion of economy and efficiency in the administration of, or the prevention and detection of fraud and abuse in, programs and operations administered or financed by the Department of Defense; or (2) the identification and prosecution of participants in such fraud or abuse.
- n. Keep the Secretary of Defense and the Congress fully and currently informed concerning fraud and other serious problems, abuses, and deficiencies relating to the administration of programs and operations administered or

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financed by the Department of Defense, recommend corrective action concerning such problems, abuses, and deficiencies, and report on the progress made in implementing such corrective action.

o. Receive and investigate, consistent with Section 7 of P.L. 95-452 (reference (a)) and DoD Directive 7050.1 (reference (e)), complaints or information concerning the possible existence of an activity constituting a violation of law, rules, or regulations, or mismanagement, gross waste of funds, or abuse of authority, or a substantial and specific danger to the public health and safety involving the Department of Defense.

p. Organize, direct, and manage the OIG and all resources assigned thereto.

q. Perform other duties as assigned by the Secretary of Defense.

2. The Secretaries of the Military Departments shall maintain authority, direction, and operational control over their audit, inspection, and investigative organizations, including responsibility for their effectiveness and the scope of their activities.

3. The Assistant Secretary of Defense (Comptroller) shall maintain authority, direction, and operational control over the Defense Contract Audit Agency including responsibility for the effectiveness and scope of the Agency's activities.

F. RELATIONSHIPS

1. The IG shall carry out the above responsibilities and functions under the general supervision of the Secretary of Defense and shall not be prevented or prohibited from initiating, carrying out, or completing any audit or investigation, or from issuing any subpoena during the course of any audit or investigation; except that the IG shall be subject to the authority, direction, and control of the Secretary with respect to audits, investigations, or the issuances of subpoenas that require access to information concerning:

a. Sensitive operational plans.

b. Intelligence matters.

c. Counterintelligence matters.

d. Ongoing criminal investigations by other administrative units of the Department of Defense related to national security.

e. Other matters the disclosure of which would constitute a serious threat to national security.

2. If the Secretary of Defense exercises the authority to restrict IG access under subsection F.1., above, the IG shall submit a statement concerning

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such exercise within 30 days to the Committees on Armed Services and Governmental Affairs of the Senate and the Committees on Armed Services and Government Operations of the House of Representatives and to other appropriate committees or subcommittees.

3. In the performance of assigned responsibilities and functions, the IG shall:

a. Coordinate actions, as he or she deems appropriate, with other DoD Components and, unless precluded by the nature of the matter, notify the Secretaries of the Military Departments concerned before conducting audits or investigations of matters normally under the jurisdiction of the Military Departments.

b. Give particular regard to the activities of the Comptroller General of the United States with a view toward avoiding duplication and insuring effective coordination and cooperation.

c. Coordinate, as appropriate, with the Under Secretary of Defense for Policy and the Assistant to the Secretary of Defense (Intelligence Oversight) on matters relating to their respective areas of responsibility.

d. Report expeditiously to the Attorney General whenever the IG has reasonable grounds to believe there has been a violation of federal criminal law.

e. Report expeditiously to the Military Department Secretary concerned any suspected or alleged violations of the Uniform Code of Military Justice (reference (f)).

G. AUTHORITY

In addition to the authorities delegated in P.L. 95-452 (reference (a)), the IG is hereby delegated authority to:

1. Issue DoD instructions, DoD publications, and one-time, directive-type memoranda, consistent with DoD 5025.1-M (reference (g)) that implement policies approved by the Secretary of Defense in assigned areas of responsibility. Instructions shall be issued directly to elements of the OSD and the Defense Agencies. Instructions to the Military Departments shall be issued through the Secretaries of those Departments or their designees. Instructions to the Unified and Specified Commands shall be issued through the JCS.

2. Have access to all records, reports, investigations, audits, reviews, documents, papers, recommendations, or other material available to any DoD Component. These normally shall be obtained consistent with DoD Directive 5000.19 (reference (h)).

a. Except as specifically denied in writing by the Secretary of Defense pursuant to the authority contained in Section 8 of reference (a) and subsection F.1., above, no officer, employee, or service member of any DoD Component may deny the IG, or officials assigned by the IG, access to information, or prevent them from conducting an audit or investigation.

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b. IG officials shall possess proper access security clearance when sensitive classified data are requested.

3. Communicate directly with personnel of other DoD Components on matters related to P.L. 95-452 (reference (a)) and this Directive. To the extent practicable and consistent with the responsibilities and functions of the Military Departments as described in subsection E.2., above, the head of the DoD Component concerned shall be kept informed of such direct communications.

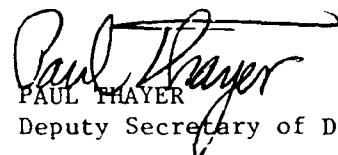
4. Request assistance as needed from other audit, inspection, and investigative units of DoD Components. In such cases, assistance shall be requested through the head of the DoD Component concerned.

5. Request information or assistance from any federal, state, or local governmental agency, or unit thereof.

6. Exercise the administrative authorities contained in enclosure 2 of this Directive.

H. EFFECTIVE DATE

This Directive is effective immediately.



PAUL THAYER
Deputy Secretary of Defense

Enclosures - 2

1. References
2. Delegations of Authority

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REFERENCES (Continued)

- (e) DoD Directive 7050.1, "DoD Hotline," May 14, 1982
- (f) Title 10, United States Code, Chapter 47 (Uniform Code of Military Justice)
- (g) DoD 5025.1-M, "DoD Directives System Procedures," April 1981, authorized by DoD Directive 5025.1, "Department of Defense Directives System," October 16, 1980
- (h) DoD Directive 5000.19, "Policies for the Management and Control of Information Requirements," March 12, 1976

DELEGATIONS OF AUTHORITY

Pursuant to the authority vested in the Secretary of Defense, and in accordance with DoD policies, Directives, and Instructions, the Inspector General (IG) of the Department of Defense or, in the absence of the IG, the person acting for him or her, is hereby delegated authority, as required in the administration and operation of the Office of the Inspector General (OIG) to:

1. Fix rates of pay for wage board employees exempted from Title 5, United States Code, Section 5102(c)(7), on the basis of rates established under the Coordinated Federal Wage System. In fixing those rates, the wage schedules established by DoD wage-fixing authority shall be followed.
2. Establish advisory committees and employ part-time advisors for the performance of OIG functions pursuant to Title 10, United States Code, Section 173(a).
3. Administer oaths of office incident to entrance into the Executive Branch of the federal government or any other oath required by law in connection with employment therein, in accordance with Title 5, United States Code, Section 2903(b), and designate in writing other officers and employees of the OIG to perform this function. Administer oaths as provided by Title 5, United States Code, Section 303.
4. Establish an OIG Incentive Awards Board and pay cash awards to and incur necessary expenses for the honorary recognition of OIG civilian employees whose suggestions, inventions, or superior acts or service benefit or affect the OIG or its subordinate activities in accordance with Title 5, United States Code, Section 4503, and Office of Personnel Management (OPM) regulations.
5. Perform the following functions in accordance with the provisions of Title 5, United States Code, Section 7532; Executive Order 10450, "Security Requirements for Government Employment," April 27, 1953; and DoD 5200.2-R, "DoD Personnel Security Program," December 20, 1979:
 - a. Designate any position in the OIG as a "sensitive" position.
 - b. Authorize, in case of an emergency, the appointment of a person to a sensitive position in the OIG for a limited period of time for whom a full field investigation or other appropriate investigation, including the National Agency Check, has not been completed.
 - c. Authorize the suspension, but not the termination, of the services of an OIG employee in the interest of national security.
6. Clear OIG personnel and other individuals, as appropriate, for access to classified DoD material and information in accordance with the provisions of DoD 5200.2-R and Executive Orders 10450 and 12356, "National Security Information," April 2, 1982.
7. Act as agent for the collection and payment of employment taxes imposed by Chapter 24, Section 3401, of the Internal Revenue Code of 1954 and, as such

agent, make all determinations and certifications required or provided under Title 26, United States Code, Section 3122, and Title 42, United States Code, Section 405(p)(1) and (2), with respect to OIG employees.

8. Authorize and approve overtime work for OIG civilian personnel in accordance with Title 5, United States Code, Subchapter V, Chapter 55, and Section 550.11 of the OPM regulations.

9. Authorize and approve:

a. Travel for OIG civilian personnel in accordance with Volume 2, Department of Defense Civilian Personnel, Joint Travel Regulations.

b. Temporary duty travel only for military personnel assigned to or detailed to the OIG in accordance with Volume 1, Joint Travel Regulations.

c. Invitational travel to persons serving without compensation whose consultative, advisory, or highly specialized technical services are required in a capacity that is directly related to or in connection with OIG activities, pursuant to Title 5, United States Code, Section 5703, and Part A, Chapter 6, Volume 2, Joint Travel Regulations.

10. Approve the expenditure of funds available for travel by military personnel assigned or detailed to the OIG for expenses incident to attendance at meetings of technical, scientific, professional, or other similar organizations in such instances where the approval of the Secretary of Defense, or designee, is required by law (Title 37, United States Code, Section 412). This authority cannot be redelegated.

11. Develop, establish, and maintain an active and continuing Records Management Program under DoD Directive 5015.2, "Records Management Program," September 17, 1980; DoD Directive 5400.7, "DoD Freedom of Information Act Program," March 24, 1980; and DoD Directive 5400.11, "Department of Defense Privacy Program," June 9, 1982.

12. Establish and use imprest funds for making small purchases of material and services, other than personal, for the OIG when it is determined more advantageous and consistent with the best interests of the government, in accordance with DoD Instruction 5100.71, "Delegation of Authority and Regulations Relating to Cash Held at Personal Risk Including Imprest Funds," March 5, 1973, and the Joint Regulation of the General Services Administration/Treasury Department/General Accounting Office, "For Small Purchases Utilizing Imprest Funds."

13. Authorize the publication of advertisements, notices, or proposals in newspapers, magazines, or other public periodicals as required for the effective administration and operation of the OIG (Title 44, United States Code, Section 3702).

14. Establish and maintain appropriate property accounts for the OIG and appoint boards of survey, approve reports of survey, relieve personal liability,

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and drop accountability for OIG property contained in the authorized property accounts that has been lost, damaged, stolen, destroyed, or otherwise rendered unserviceable, in accordance with applicable laws and regulations.

15. Issue the necessary security regulations for the protection of property and places under the jurisdiction of the IG, under DoD Directive 5200.8, "Security of Military Installations and Resources," July 29, 1980.

16. Establish and maintain, for the functions assigned, an appropriate publications system for the promulgation of common supply and service regulations, instructions, and reference documents, and changes thereto, consistent with DoD 5025.1-M, "Department of Defense Directives System Procedures," April 1981.

17. Enter into support and service agreements with the Military Departments, other DoD Components, or other government agencies as required for the effective performance of responsibilities and functions assigned to the OIG.

18. Authorize OIG personnel to carry firearms in accordance with DoD Directive 5210.66, "Carrying of Firearms by Department of Defense Personnel," May 31, 1979.

19. Exercise original Top Secret classification authority.

20. Issue credentials and other identification to employees of the OIG.

The Inspector General may redelegate these authorities, in writing, except as otherwise specifically indicated above or as otherwise provided by law or regulation.